

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Carlsbad Field Office

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

- 5. Lease Serial No.
Multiple--See Attached
- 6. If Indian, Allottee or Tribe Name
- 7. If Unit or CA/Agreement, Name and/or No.
Multiple--See Attached
- 8. Well Name and No.
Multiple--See Attached
- 9. API Well No.
Multiple--See Attached
- 10. Field and Pool or Exploratory Area
PURPLE SAGE-WOLFCAMP (GAS)
- 11. County or Parish, State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 CHEVRON USA INCORPORATED
 Contact: LAURA BECERRA
 E-Mail: LBECCERRA@CHEVRON.COM

3a. Address
 6301 DEAUVILLE BLVD
 MIDLAND, TX 79706

3b. Phone No. (include area code)
 Ph: 432-687-7665

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Multiple--See Attached

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

LEAK DETECTION PLAN

Chevron U.S.A Inc. submits the attached Hayhurst, NM Pad 4 Leak Detection Plan as required under the Conditions of Approval, Section V for Cave/Karst Surface Mitigations. This notice applies to the following wells:

- HH CE 35 2 FED 006 1H - 30-015-44347 ✓
- HH CE 35 2 FED 006 2H - 30-015-44346
- HH CE 35 2 FED 006 3H - 30-015-44350
- HH CE 35 2 FED 006 4H - 30-015-44349
- HH CE 35 2 FED 006 5H - 30-015-44345

GC 9-7-18
Accepted for record - NMOCD

RECEIVED

SEP 06 2018

DISTRICT II-ARTESIA O.C.D.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #432631 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 08/29/2018 (18DLM0637SE)**

Name (Printed/Typed) LAURA BECERRA	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 08/24/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>DUNCAN WHITLOCK</u>	Title <u>TECHNICAL LEAD PET</u>	Date <u>09/04/2018</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>Carlsbad</u>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #432631 that would not fit on the form

5. Lease Serial No., continued

NMNM107369
NMNM114968

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM114968	NMNM114968	HH CE 35 2 FED COM 006 3H	30-015-44350-00-X1	Sec 35 T25S R27E NESE 2465FSL 475FEL 32.085710 N Lat, 104.153758 W Lon
NMNM114968	NMNM114968	HH CE 35 2 FED 006 2H	30-015-44346-00-X1	Sec 35 T25S R27E NESE 2489FSL 475FEL 32.085777 N Lat, 104.153755 W Lon
NMNM114968	NMNM114968	HH CE 35 2 FED 006 5H	30-015-44345-00-X1	Sec 35 T25S R27E NESE 2414FSL 475FEL 32.085573 N Lat, 104.153763 W Lon
NMNM114968	NMNM114968	HH CE 35 2 FED COM 006 4H	30-015-44349-00-X1	Sec 35 T25S R27E NESE 2440FSL 475FEL 32.085642 N Lat, 104.153761 W Lon
NMNM114968	NMNM114968	HH CE 35 2 FED COM 006 6H	30-015-44348-00-X1	Sec 35 T25S R27E NESE 2389FSL 475FEL 32.085504 N Lat, 104.153764 W Lon
NMNM107369	NMNM107369	HH CE 35 2 FED 006 1H	30-015-44347-00-X1	Sec 35 T25S R27E NESE 2514FSL 475FEL 32.085846 N Lat, 104.153755 W Lon

32. Additional remarks, continued

- HH CE 35 2 FED 006 6H - 30-015-44348

Hayhurst NM Pad 6 Leak Detection Plan / Chevron U.S.A. Inc.

(Includes HH CE 35 2 FED 006 #1H, #2H, #3H, #4H, #5H & #6H)

Chevron MidContinent Business Unit (MCBU) has incorporated the following methods, design features, and practices to systematically monitor, detect, and address any leaks for the Hayhurst NM Pad 6 wells and associated Hayhurst NM 35 Central Tank Battery (CTB), which receives, and processes produced fluids from the referenced wells.

Central Tank Battery Secondary Containment

The CTB incorporates a secondary containment around all storage tanks constructed of a synthetic liner and engineered walls. The containment is designed to be at least one foot above the tank bases and sized to contain the cumulative volume of all storage tanks. Also, all vessels and piping within the CTB are situated aboveground to allow for ready identification of any type of leak or loss of primary containment.

Level and Pressure Alarms

All storage tanks are equipped with multiple level and pressure alarms to detect abnormal conditions and immediately initiate appropriate actions as described below:

- Low level alarm that notifies field personnel of this alarm condition allowing prompt investigation and initiation of any response actions.
- Low-low level alarm that is electronically interlocked with well control systems to immediately secure all well production and CTB operations.
- High pressure alarm that is interlocked with distributive control systems to immediately secure all well production and CTB operations.
- High level alarm that is interlocked with distributive control systems to immediately secure all well production and CTB operations

All oil discharge lines are equipped with low pressure sensors to detect abnormal system pressure and immediately secure production operations and isolate vessels within the CTB.

Inspection Practices

Standard practice requires a visual inspection of all well pads and CTBs at least once per day to include identification of any seeps, drips, or other larger sources of leaks. Current practice within the Hayhurst NM area is for these inspections to occur once per twelve-hour shift.